

Before The
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

RATE ADJUSTMENT DUE TO EXTRAORDINARY
OR EXCEPTIONAL CIRCUMSTANCES

Docket No. R2013-11

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO QUESTIONS 1-2 OF PRESIDING OFFICER'S
INFORMATION REQUEST NO. 12
(December 9, 2013)**

The United States Postal Service hereby provides its responses to Questions 1-2 of Presiding Officer's Information Request No.10, dated December 5, 2013. Each question is stated verbatim and is followed by the response. The responses are sponsored by Altaf Taufique.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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December 9, 2013

RESPONSE OF ALTAF TAUFIQUE TO
PRESIDING OFFICER'S INFORMATION REQUEST NO. 12

1. Please refer to the Statement of Altaf Taufique on Behalf of the United States Postal Service, September 26, 2013 (Taufique Statement, Appendix A at 2), which shows the workshare discounts and benchmarks for First-Class Mail Bulk Letters and Postcards.
 - a. Please confirm that in the passthrough calculation for AADC Letters, the cost avoidance is calculated as the avoidable unit cost for AADC Letters minus the avoidable unit cost for Mixed AADC Letters.
 - b. Please confirm that in the passthrough calculation for AADC Cards, the cost avoidance is calculated as the avoidable unit cost for AADC Cards minus the avoidable unit cost for Mixed AADC Cards.

RESPONSE:

- a. Not confirmed. The cost avoidance is calculated using a weighted average of the avoidable unit costs of AADC Letters and 3-Digit Letters, minus the avoidable unit cost for Mixed AADC Letters.
- b. Not confirmed. The cost avoidance is calculated using a weighted average of the avoidable unit costs of AADC Cards and 3-Digit Cards, minus the avoidable unit cost for Mixed AADC Cards.

RESPONSE OF ALTAF TAUFIQUE TO
PRESIDING OFFICER'S INFORMATION REQUEST NO. 12

2. Please refer to Library References PRC-LR-R2013-10/1, PRC-LR-R2013-10/2 and PRC-LR-R2013-10/3 filed in Docket No. R2013-10. Please update Library References USPS-R2010-4R/2, USPS-R2010-4R/3 and USPS-R2010-4R/23 to reflect the changes to the Postal Service's workpapers filed in Docket No. R2013-10 as listed in the above mentioned library references.

RESPONSE:

Please see the files POIR12.Qu2.Response.FCM.xls,

POIR12.Qu2.Response.SM.xls, and POIR12.Qu2.Response.PER.xls, filed with this response.